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State of Washington
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For immediate release: May 15, 2007

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Competitive bond sale attracts bids in Washington

OLYMPIA, Washington – This morning in the Office of the State Treasurer, the state of Washington accepted bids for \$708.7 million in bonds in three separate issues. Offerings included: Various Purpose General Obligation Bonds, Series 2007F (\$250,000,000), Various Purpose General Obligation Refunding Bonds, Series R-2007C (\$384,560,000), and Motor Vehicle Fuel Tax General Obligation Refunding Bonds, Series R-2007D (\$74,120,000). Proceeds from the new issue sale of the Series 2007F bonds will fund various capital budget items. Proceeds from the sale of the Series R-2007C and R-2007D bonds will retire existing bonds.

Following the bidding, the State Finance Committee (SFC) met to award the bids. There were five bids for the Series 2007F and six bids apiece for the R-2007C and R-2007D Series. State Treasurer Michael J. Murphy said, "Both the quality and quantity of bids reflect a sustained interest in Washington bonds. I'm very pleased with the results of the bids – we saved nearly 30 million on the refunded bonds and the new issue rates were great!"

Merrill Lynch & Co. was the winning bidder on the \$250 million Series 2007F issue of Various Purpose General Obligation Bonds with a TIC (True Interest Cost) bid of 4.403 percent. Also bidding were Citigroup Global Markets (TIC: 4.417 percent), J. P. Morgan Securities (TIC: 4.419 percent), UBS Securities LLC (TIC: 4.421 percent), and Lehman Brothers (TIC: 4.424 percent.)

Lehman Brothers was awarded the bid for the \$384.56 million Series R-2007C Various Purpose General Obligation Refunding Bonds with a TIC of 4.019 percent. Also bidding were J.P. Morgan Securities (TIC: 4.021 percent), Citigroup Global Markets (TIC: 4.029 percent), Merrill Lynch & Co. (TIC: 4.030 percent), UBS Securities LLC (TIC: 4.033 percent), and Morgan Stanley & Co. Inc (TIC: 4.037 percent.)

J. P. Morgan Securities submitted the winning bid for the \$74.12 million R-2007D Series Motor Vehicle Fuel Tax General Obligation Refunding Bonds. Their bid carried a TIC of 4.101 percent. Bids were also received from UBS Securities LLC (TIC: 4.108 percent), Lehman Brothers (TIC: 4.115 percent), Merrill Lynch & Co. (TIC: 4.132 percent), Prager, Sealy & Co. LLC (TIC: 4.134 percent), and Citigroup Global Markets (TIC: 4.173 percent.)

Treasurer Murphy is chairman of the State Finance Committee and serves on the committee along with Governor Christine Gregoire and Lt. Governor Brad Owen.

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